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1 Jeffrey R. Sylvester, Esq. (Nevada Bar No. 4396)
James B. MacRobbie, Esq. (Nevada Bar No. 7430)

2 SYLVESTER & POLEDNAK, LTD.

7371 Prairie Falcon Road, Suite 120

3 Las Vegas, Nevada 89128

Telephone: (702) 952-5200

4 Facsimile: (702) 952-5205

jeff@syvesterpolednak.com

5 james@syvesterpolednak.com

and

6 Van C. Durrer II

7 Ramon M. Naguiat

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP

8 300 South Grand Avenue, #3400

Los Angeles, California 90071-3144

9 Telephone: (213) 687-5000

Facsimile: (213) 687-5600

10 van.durrer@skadden.com

ramon.naguiat@skadden.com

11 Attorneys for Credit Suisse AG, Cayman Islands Branch

12 AKIN GUMP STRAUSS HAUER & FELD LLP

Philip C. Dublin (NY Bar No. 2959344)

13 Meredith A. Lahaie (NY Bar No. 4518023)

One Bryant Park

14 New York, NY 10036

Telephone: (212) 872 - 1000

15 Facsimile: (212) 872 - 10002

pdublin@akingump.com

16 mlahie@akingump.com

and

17 KOLESAR & LEATHAM

18 Nile Leatham (Nevada Bar No. 002838)

Wells Fargo Financial Center

19 3320 W. Sahara Ave.

Las Vegas, NY 89102

20 Telephone: (702) 979-237

Facsimile: (702) 362-9472

21 Nleatham@klnevada.com

Attorneys for Reorganized Debtors

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEVADA**

In re:

THE RHODES COMPANIES, LLC,
aka "Rhodes Homes," et al.,

Debtors.¹

Case No. 09-14814-LBR
(Jointly Administered)

Chapter 11

**STIPULATION RESOLVING MOTION TO
COMPEL REIMBURSEMENT OF FEES
AND EXPENSES PURSUANT TO
CONFIRMATION ORDER AND CASH
COLLATERAL ORDER**

Hearing Date: August 24, 2010
Hearing Time: 1:30 p.m.
Judge: Honorable Linda B. Riegler

Affects:

- ☒ All Debtors
☐ The following Debtor(s)

This stipulation is entered into by and between (1) the above-captioned reorganized debtors (the "Debtors" or the "Reorganized Debtors") and (2) Credit Suisse AG, Cayman Islands Branch ("Credit Suisse"), formerly known as "Credit Suisse, Cayman Islands Branch," as agent under the first lien Credit Agreement Dated as of November 21, 2005, among Heritage Land Company, LLC, The Rhodes Companies, LLC, and Rhodes Ranch General Partnership, as the Borrowers, the Lenders Listed [Th]erein, as the Lenders, and Credit Suisse, Cayman Islands Branch, as Administrative Agent, Collateral Agent, Syndication Agent, Sole Bookrunner and Sole Lead

¹ The debtors in these cases, along with their case numbers, were Heritage Land Company, LLC (Case No. 09-14778); The Rhodes Companies, LLC (Case No. 09-14814); Tribes Holdings, LLC (Case No. 09-14817); Apache Framing, LLC (Case No. 09-14818); Geronimo Plumbing LLC (Case No. 09-14820); Gung-Ho Concrete LLC (Case No. 09-14822); Bravo, Inc. (Case No. 09-14825); Elkhorn Partners, a Nevada limited partnership (Case No. 09-14828); Six Feathers Holdings, LLC (Case No. 09-14833); Elkhorn Investments, Inc. (Case No. 09-14837); Jarupa, LLC (Case No. 09-14839); Rhodes Realty, Inc. (Case No. 09-14841); C&J Holdings, Inc. (Case No. 09-14843); Rhodes Ranch General Partnership (Case No. 09-14844); Rhodes Design and Development Corporation (Case No. 09-14846); Parcel 20, LLC (Case No. 09-14848); Tuscany Acquisitions IV, LLC (Case No. 09-14849); Tuscany Acquisitions III, LLC (Case No. 09-14850); Tuscany Acquisitions II, LLC (Case No. 09-14852); Tuscany Acquisitions, LLC (Case No. 09-14853); Rhodes Ranch Golf Country Club, LLC (Case No. 09-14854); Overflow, LP (Case No. 09-14856); Wallboard, LP (Case No. 09-14858); Jackknife, LP (Case No. 09-14860); Batcave, LP (Case No. 09-14861); Chalkline, LP (Case No. 09-14862); Glynda, LP (Case No. 09-14865); Tick, LP (Case No. 09-14866); Rhodes Arizona Properties, LLC (Case No. 09-14868); Rhodes Homes Arizona, LLC (Case No. 09-14882); Tuscany Golf Country Club (Case No. 09-14884); and Pinnacle Grading, LLC (Case No. 09-14887).

1 Arranger (as amended, restated, amended and restated, supplemented, or otherwise modified from
2 time to time, the "First Lien Credit Agreement").

3 RECITALS

4 A. On March 31, 2009 or April 1, 2009, the Debtors commenced these bankruptcy
5 cases.

6 B. On April 30, 2009, the Court entered the Final Stipulated Order (I) Authorizing Use
7 of Cash Collateral Pursuant to Sections 105, 361, 362 and 363 of the Bankruptcy Code and (II)
8 Granting Adequate Protection and Super Priority Administrative Expense Priority to Prepetition
9 Secured Lenders Re Debtors' Motion for Interim and Final Orders Pursuant to Sections 105, 361,
10 362, 363 and 364 of Debtors' Motion for Interim and Final Orders Pursuant to Sections 105, 361,
11 362, 363 and 364 of the Bankruptcy Code (A) Authorizing Debtors to Use Cash Collateral, (B)
12 Granting Adequate Protection to the Debtors' Prepetition Secured Parties and (C) Scheduling a
13 Final Hearing: (the "Cash Collateral Order").

14 C. On March 12, 2010, the Court entered an order (the "Confirmation Order")
15 confirming the Third Amended Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy
16 Code for The Rhodes Companies, LLC, et al. (the "Plan"). The effective date of the Plan occurred
17 on April 1, 2010.

18 D. Under the First Lien Credit Agreement, the Cash Collateral Order, and the
19 Confirmation Order, Credit Suisse has reimbursement claims ("Reimbursement Claims") against
20 the Debtors and the Reorganized Debtors for certain fees and expenses incurred in its role as agent
21 under the First Lien Credit Agreement.

22 E. On May 24, 2010, Credit Suisse filed the Motion to Compel Reimbursement of Fees
23 and Expenses Pursuant to Confirmation Order and Cash Collateral Order (the "Motion"). By the
24 Motion, Credit Suisse sought payment under the Cash Collateral Order and the Confirmation Order
25 of the following Reimbursement Claims: (1) certain fees and expenses of Skadden, Arps, Slate,
26 Meagher & Flom LLP ("Skadden") in the amount of \$915,109.86 through April 30, 2010 (the
27 "Skadden Amount"); (2) certain fees and expenses of Sylvester & Polednak, LTD. in the amount of
28

1 \$14,559.08 through April 20, 2010 (the "Sylvester Amount"); (3) certain fees and expenses of
 2 Credit Suisse in the amount of \$19,195.21 (the "Credit Suisse Amount"); and (4) certain fees and
 3 expenses of the Udall Law Firm, LLP in the amount of \$2,740.00 (the "Udall Amount"). Since the
 4 filing of the Motion, the Sylvester Amount, the Udall Amount, and the Credit Suisse Amount have
 5 been paid, leaving only the Skadden Amount outstanding.

6 F. On June 7, 2010, the Reorganized Debtors filed the Reorganized Debtors' Objection
 7 to Motion to Compel Reimbursement of Fees and Expenses Pursuant to Confirmation Order and
 8 Cash Collateral Order (the "Objection"). By the Objection, the Reorganized Debtors objected only
 9 to the Skadden Amount.

10 G. On June 14, 2010, Credit Suisse filed the Reply of Credit Suisse AG, Cayman
 11 Islands Branch in Support of Motion to Compel Reimbursement of Fees and Expenses Pursuant to
 12 Confirmation Order and Cash Collateral Order.

13 H. On June 21, 2010, this Court held a hearing on the Motion. At that hearing, the
 14 Court continued the hearing on the Motion to August 24, 2010 and requested additional briefing
 15 and information.

16 I. The Reorganized Debtors and Credit Suisse have agreed to resolve the Motion on
 17 the terms set forth in this Stipulation.

18 STIPULATION

19 1. Within three (3) business days after entry of an order approving this Stipulation, the
 20 Reorganized Debtors shall pay \$700,000.00 to Skadden (the "Payment"). The Payment shall be in
 21 full and final satisfaction of the Skadden Amount. Credit Suisse shall not seek reimbursement
 22 from the Reorganized Debtors or any other party on account of any Skadden fees and expenses
 23 incurred from May 1, 2010, through the date of this Stipulation.

24 2. Subject to receipt of the Payment, the Motion shall be deemed resolved.
 25
 26
 27
 28

1 IT IS SO STIPULATED.

2 DATED: July 19, 2010

3 By:


SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP
Van C. Durrer II
Ramon M. Naguiat
300 South Grand Avenue, #3400
Los Angeles, California 90071-3144
Telephone: (213) 687-5000
Facsimile: (213) 687-5600
van.durrer@skadden.com
ramon.naguiat@skadden.com


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6 Jeffrey R. Sylvester, Esq. (Nevada Bar No. 4396)
7 James B. MacRobbie, Esq. (Nevada Bar No. 7430)
8 7371 Prairie Falcon Road, Suite 120
9 Las Vegas, Nevada 89128
10 Telephone: (702) 952-5200
11 Facsimile: (702) 952-5205
12 jelf@syvesterpolednak.com
13 james@syvesterpolednak.com

14 Attorneys for Credit Suisse AG, Cayman Islands Branch

15 DATED: July 19, 2010

16 By:


AKIN GUMP STRAUSS HAUER & FELD LLP
Philip C. Dublin (NY Bar No. 2959344)
Meredith A. Lahaie (NY Bar No. 4518023)
One Bryant Park
New York, NY 10036
Telephone: (212) 872 - 1000
Facsimile: (212) 872 - 10002
pdublin@akingump.com
mlahaie@akingump.com

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18 KOLESAR & LEATHAM
19 Nile Leatham (Nevada Bar No. 002838)
20 Wells Fargo Financial Center
21 3320 W. Sahara Ave.
22 Las Vegas, NY 89102
23 Telephone: (702) 979-237
24 Facsimile: (702) 362-9472
25 Nleatham@klnvada.com

26 Attorneys for Reorganized Debtors
27
28